

BEFORE THE NEW YORK STATE
 SELECT COMMITTEE ON CRIME
 ITS CAUSES, CONTROL AND EFFECT ON SOCIETY

In the Matter

-of-

A Public Hearing to Consider the Boy Prostitution
 and Pornography.

25th Floor Hearing Room
 270 Broadway
 New York, New York

July 26, 1982
 10:00 a.m.

PRESIDING:

SENATOR RALPH J. MARINO, Chairman

PRESENT:

SENATOR ABRAHAM BERNSTEIN
 SENATOR HOWARD E. BABBUSH
 SENATOR OWEN H. JOHNSON
 JEREMIAH B. MCKENNA, General Counsel
 LILLI SCOTT, Research Director

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P R O C E E D I N G S

SENATOR MARINO: Good morning. I would like to introduce the panel here this morning. To my left is the ranking Minority Member of the Committee, Senator Abe Bernstein, and to his left is the Committee Counsel, Jerry McKenna.

On July 2nd of this year, the Supreme Court of the United States upheld the Marino-Lasher Child Pornography Law enacted in New York State to prevent the sexual abuse of children and their commercial exploitation. The Court rendered it's decision in response to the Ferber challenge involving the sale of published materials depicting underaged boys engaged in sexual performances.

Unchallenged were sections of law addressing the performances themselves. Since 1977, public policy without interruption has prohibited the employment of children for sexual purposes; yet in New York, the law appears to have had little effect in controlling the traffic

in child flesh; especially that involving young boys used for homosexual purposes. They are known to be employed as sex performers, as models for pornographic films and photos, as prostitutes encouraged to ply their trade in gay bars, movie and burlesque houses, exchanged like merchandise by organizations and pederasts for the purposes of lewd exhibition, molestation, intercourse, sodomy, and sado-masochistic abuse.

It is clear that children do not initiate or control this type of commerce. Adults do. Who are they, and how do they operate out of the reach of the law? How widespread is the traffic in children? What are the problems the law enforcement community had in prosecuting criminally involved adults? And what can we do to control this multi-million dollar industry?

In seeking answers to these questions, I want to emphasize that this committee is not here addressing the larger questions of obscenity or censorship involving the sensibilities of the community but rather the

depraved use of children that often leads to permanent psychological and physical damage.

Our first witnesses will be Carl Shoffler and Anne Fisher, both detectives from Washington, D.C.

C A R L S H O F F L E R and
A N N E F I S H E R,

having been first duly sworn by the Chairman of the Committee, testified as follows:

SENATOR MARINO: You are detectives from Washington, D.C.?

DETECTIVE SHOFFLER: Yes, sir.

SENATOR MARINO: Jerry McKenna, Counsel for the Committee, will now address some specific questions to you, and I will appreciate your responding.

Do you have any objections to your pictures being taken?

DETECTIVE FISHER: No, sir.

DETECTIVE SHOFFLER: No, sir.

MR. McKENNA: Detective Fisher, you used to work under cover, so I'm -- you have

no objection?

DETECTIVE FISHER: No.

MR. MCKENNA: Okay. We'll start with you, Detective Fisher. Can you tell us what your background was in the Washington Metropolitan Police, specifically with regard to juveniles?

DETECTIVE SHOFFLER: Okay. In 1978 and 1979, I worked out of the Division --

SENATOR MARINO: Could you please move the microphone closer to you so that we can hear you.

DETECTIVE FISHER: In 1978 and 1979, I worked out of the Youth Division at the Metropolitan Police Department in the Juvenile Prostitution Division. In 1980, I worked out of the Sex Squad, which is part of the Criminal Investigation Division, Metropolitan Police.

MR. MCKENNA: Could you tell us, just give us some idea what that Juvenile Unit was and how they approached the problem of juvenile prostitution?

DETECTIVE FISHER: Okay.

Basically, in Washington under the Youth Division, the Juvenile Prostitution Unit assignment was to go out into the city, both in the street, in the club, in the book stores, find where juveniles were being used either for pornography or for prostitution, investigate how they came into the city, who brought them into the city, how widespread the problem was, and, perhaps, where they came from, why they were sent to Washington.

MR. MCKENNA: And Detective Shoffler, could you give us some idea of your background in the area of juvenile prostitution and pornography?

DETECTIVE SHOFFLER: For approximately the past ten years, I have been an organized crime investigator with the Metropolitan Police Department; and approximately 1975 or '76, we began to examine organized crime's relationship to the pornography industry.

MR. MCKENNA: Were you connected with the project that developed intelligence on

the involvement of organized crime in the pornography industry?

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: Can you just give us some idea of that project, what was entailed?

DETECTIVE SHOFFLER: As a result of law enforcement and media contentions that organized crime, particularly the traditional organized crime, the Mafia or whatever name it's used, the contention was that they controlled the pornography industry; and in examining the basis for this, we found that it lacked a lot of documentation. So as a result of an area of the law enforcement intelligence meeting, we decided to determine the validity of those allegations. We hoped that we could produce some documentation that would not only answer that question but also in matters with regards to pornography, child pornography, et cetera. It seemed to be a low-priority type prosecution, and we hoped that if our document did produce documentation of organized crime's involvement that it would

assist prosecutors and other police departments in viewing what was going on in their communities; because, generally, if it's a dirty book store or something like that and you don't have any idea that there's a connection to, say, organized crime or something like that, it receives a low-priority investigation. That's essentially what we tried to do, then.

I guess the methodology that we employed, we devised some questions that we felt if answered from public record, the answers to what we were after would be there. So across the country, local law enforcement provided answers to the questionnaires that we sent out after two meetings that we had; and as a result of the questionnaires that were answered -- again, the great majority of that material came from public records in those jurisdictions -- we were able to produce a document which you have.

MR. MCKENNA: Is this the document, "Organized Crime's Involvement in the Pornography Industry"?

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: And this was the product of how many years of work?

DETECTIVE SHOFFLER: Approximately a year and a half of accumulating the facts, but some of the investigations in the past had been in other files over years.

MR. MCKENNA: Okay. Can we deem this marked as Exhibit 1 of this hearing today.

(The document referred to was marked Exhibit 1 for identification and received into evidence, this date.)

MR. MCKENNA: And could you tell us -- I guess, do you need this in front of you? Do you have a copy?

Okay. Can you tell us, from your knowledge and in this investigation, the significance that New York has in the network of pornography that is controlled by organized crime?

DETECTIVE SHOFFLER: Well, as the book will illustrate, we were able to determine that information pertaining to organized crime's

involvement generally led to corporations or individuals in New York. The largest distributor of pornographic material that law enforcement and the media called organized crime was a company here in New York. The largest, quote, "Mafia" figure involved in the pornography industry in the country at the time of that study was Michael Zaffarano, who has been identified as a member of organized crime.

MR. MCKENNA: Who's now deceased?

DETECTIVE SHOFFLER: Yes, sir.

SENATOR MARINO: What were the companies? You mentioned one or two companies in New York City.

DETECTIVE SHOFFLER: The main company in New York City was Star Distributors.

SENATOR MARINO: Where are they located? Do you have the location?

DETECTIVE SHOFFLER: I don't have the address in front of me, sir.

MR. MCKENNA: I think they are on Lafayette Street. Did your studies also go into

the area of juvenile crime and the use of children for pornographic purposes?

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: Was organized crime involved in the distribution of that sort of material?

DETECTIVE SHOFFLER: For the most part, what we found out there was that organized crime -- while there are instances where organized crime did benefit from the distribution of this material, for the most part, it appeared to be a group of collectors who would trade material and trade male prostitutes back and forth. We weren't able to really successfully document organized crime as running the day-to-day activity as regards child prostitution, no.

MR. MCKENNA: Can you tell us, either of you on this question, can you see a correlation between juvenile prostitution and juvenile pornography?

DETECTIVE FISHER: Yes, very much

so. Normally, the individuals that we would pick up or bring into police custody or question regarding their activities were brought into the area of prostitution or pornography almost simultaneously. They did both, alternating. They usually were from different sections of the country, runaways, people who were maybe leaving various organizations they had been placed into by a state, and once they got into the city and once they were used, they were used in both of these areas.

SENATOR BERNSTEIN: By the same procurer?

DETECTIVE FISHER: That's correct, sir.

MR. MCKENNA: Detective Fisher, did you see evidence of networks, more than just an individual procurer, operating in this area? Was there evidence of an organization at work?

DETECTIVE FISHER: Yes. Now, we found this both with juvenile prostitution involving girls and juvenile prostitution or

pederophilia involving boys. Do you want me to address both?

MR. MCKENNA: Yes.

DETECTIVE FISHER: Okay. Back in 1977-78, we discovered down 14th and K Street, which is the center of Washington, Northwest, an area where there were a lot of young ladies that were being brought in from California. Investigation was done on this, and there was found to be what they called the "California Connection." It was a group of pimps that had gotten together; and, basically, they would transport these girls between D.C. and California. Juveniles were being used in this business, so to speak; and they were switched back and forth. When it got too hot in one area for them, they were sent back to another area.

As far as the pederophilia or the use of young boys, we had a connection in Houston; and we were able to find out that there was a definite circuit, which encompassed Houston, Los Angeles, San Francisco, New Orleans, New York,

and Washington; and these boys worked the circuit and they went from one city to another. In fact, some of our sources in Houston were able to give us phone numbers that the boys in Houston had for areas in Washington, where they could call a specific number and a young boy would be provided as a call service.

In this respect, we found that it was an organized circuit. It was controlled by people. You could call a phone number in Houston from Washington and have a young boy delivered to your room in Washington, using an American Express Card or another business card to charge account.

SENATOR BERNSTEIN: To whom was it charged? Was it a hotel charge or --

DETECTIVE SHOFFLER: What we found is there would be fronts. I am certain that the major credit card companies didn't have any idea that their --

SENATOR BERNSTEIN: I am not concerned with the major credit card companies,

and I'm not casting any dispersions.

DETECTIVE SHOFFLER: I'm sorry.

SENATOR BERNSTEIN: But if a credit card was used, it had to be charged to some specific credit account.

DETECTIVE SHOFFLER: Right.

SENATOR BERNSTEIN: This is the question I am addressing.

DETECTIVE SHOFFLER: The individual who could procure that service. We are not in a position to give you names at this time, but the people who would procure that service would use their cards. Is that what you're -- your answer?

SENATOR BERNSTEIN: In other words, the people that supplied these young boys and young girls had a credit account with some of the credit card companies --

DETECTIVE SHOFFLER: Right.

SENATOR BERNSTEIN: -- and they would charge and then collect from these credit card companies.

DETECTIVE SHOFFLER: Under various guises like being photography studios, book stores --

DETECTIVE FISHER: -- models, model agencies --

DETECTIVE SHOFFLER: -- model agencies.

SENATOR BERNSTEIN: Now, without revealing any names at the moment, did you ascertain names and addresss of these accounts, these firms that were using these charge accounts?

DETECTIVE SHOFFLER: Yes, but I am not in a position to go into specific details on that aspect.

SENATOR BERNSTEIN: No. I just wanted an answer to that.

MR. MCKENNA: That seems to be a technique that was being used. Apparently, you have to operate this area with credit cards?

DETECTIVE SHOFFLER: You don't have to, but it makes it certainly convenient for your operation to be able to have a credit card.

SENATOR BERNSTEIN: Let me ask one other question. After you ascertained that credit cards were being used, did the police ever notify any of the credit card companies?

DETECTIVE SHOFFLER: In instances in our jurisdiction. Okay? In P.G. County, Montgomery County, Virginia, Northern Virginia and in Washington, D.C., several sex industry operations that utilized credit cards in that fashion, we did notify the credit card companies; and to my knowledge at this time, where it could be specifically proven that the cards were being misused in that fashion, the credit card companies took appropriate action.

SENATOR BERNSTEIN: What was the reception to your notification? What was the attitude of the credit card companies?

DETECTIVE SHOFFLER: I could characterize it in a general term that it was one of agreement with our position.

SENATOR BERNSTEIN: So you can characterize this also as sex on credit.

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: These intercity networks in the pederophiliac area, would they send the children around or was it like a central place? I am trying to get the idea, is it a loose confederation or did it seem more structured and organized?

DETECTIVE FISHER: I would have to say sort of a combination of both; in that, the youngster could stay in one area, let's say as long as he wanted to, but if things started getting to the point where the police were starting to harass him or there was a possibility that the operation, which was covert at that time, would also be exposed, then they would be sent somewhere else. It wasn't a regimented type of thing, where you spent a certain amount of time in one area, then went on. But there was a control. There were numbers. There were people that you would contact in each city when you went to that city, and this was made known to these young boys.

Most of these young boys, I think it should be added also, were runaways; and they would start at the age of -- maybe at the age of 12 or 13, and they would work this circuit and they would go from town to town; and let's say by the time they were 18, they would have probably encompassed the whole circuit a couple of times.

SENATOR BERNSTEIN: Is there any evidence of forcing these youngsters?

DETECTIVE FISHER: I think it's a point where, in different ones that were interviewed, at the time that they ran away from home, let's say they come to a city like New York or California, they have no funds, they are vulnerable. Okay. They are opened up into this. After they get in it, they don't like it, but they can't see a way out. They'll all tell you the money is good. They don't like what they're doing, but they don't want to go back home because they don't want to face their peer group. They don't want to face their parents. They don't want to face the pressure that will be put

on them, so they stay; and in that way, there is coercion.

SENATOR BERNSTEIN: Would you, then, conclude or assume that these who had been using them did not put pressures on them or force them to engage in these activities?

DETECTIVE FISHER: I think it's almost like if you get into this area of mind control. You take someone, you get them out of their normal society, and you bring them into this area. Perhaps, you start coming down on them a little hard, and then you treat them with niceness, and you have them basically sucked into you. They might want to get away, but they can't get away because they see no alternative, and that's a form of coercion, even if it's not a strict, harsh coercion. It's a mental coercion.

SENATOR BERNSTEIN: Along the same lines, in conjunction with your investigation, did you ascertain whether any of these kids were involved in the use of narcotics?

DETECTIVE FISHER: Yes. I would

find that basically this ran concurrent with the prostitution and the pornography. They were -- a lot of times the younger ones, especially, were placed on drugs to keep them under the control of the people.

SENATOR BERNSTEIN: So then, in effect, there was a pressure of the supply of drugs which these kids would need in order to keep them in line, so to speak.

DETECTIVE FISHER: Initially, and then once they got them hooked onto it, then it was a voluntary thing with them, as far as I know.

SENATOR BERNSTEIN: That is similar with prostitution with girls, too, isn't it?

DETECTIVE FISHER: That's correct.

DETECTIVE SHOFFLER: I may add a comment, if you don't mind, on that. I have interviewed people, and I'm certain Anne has too, in which they'll tell you that they don't go to law enforcement because they have been told they will receive bodily harm or be killed. I mean,

they are told as part of the operation not to talk to the police.

SENATOR MARINO: Did you ever encounter any lists of clients for these youngsters? Were you ever able to secure a list of clients?

DETECTIVE SHOFFLER: On a number of occasions, we have been able to as result of raids on alcohol services, both male prostitution and female prostitution, simply because of using credit cards; and for security reasons, they do maintain lists, and we have seized -- numerous times, we have seized -- well, we haven't seized lists per se. We've seized card index, 3-by-5 cards with names and statistics or data on the clients, yes.

SENATOR MARINO: Were you ever able to pinpoint places where the actual prostitution took place or the pornography was being filmed or whatever they do? Were you ever able to find the actual locale or site where these activities were taking place?

DETECTIVE SHOFFLER: Well, when you talk about juvenile prostitution, traditional law enforcement methodology is handicapped in terms of investigating those allegations; because if you are investigating narcotics or if you're investigating robbery or something like that, you can get informants. You can put them into the organization. You can get the facts you need. But when you're dealing with a situation that involves a juvenile, it's very hard. You can't. You can't take a juvenile and place them into a ring that's making movies or utilizing his services, because you're just as wrong as what you are trying to address. So law enforcement is really in a position there where it can't answer a lot of questions that I'm sure you would want answers to. We can only guess from interviews of other people who eventually talked to us as to how it goes on and what happens. There have been rare occasions in our Metropolitan Area, where we have been able to identify where children have been filmed or things like that, but it's usually

after the fact. I am not aware now in the last two years that we have made any cases of that nature that I know of.

SENATOR MARINO: Do you have any other questions?

SENATOR BERNSTEIN: What happens to these youngsters when they reach the age of, say, 18 years?

DETECTIVE SHOFFLER: Some of the ones that I have encountered, they have already sort of got themselves on a road to crime. The older they get in male prostitution and in female prostitution, the less their demand in most cases; and it's like anything else, if you set out in life to have a profession and then all of a sudden you don't, and they are into narcotics, the seedier aspects of society, and they end up -- a number of the ones that I am familiar with end up committing larceny, crimes of that nature. They gyrate into extortion rings where they set up males. Say male prostitution, they set them up, and pretend to be policemen and shake them

down and things like that. They just end up in that same atmosphere but on another side of it.

DETECTIVE FISHER: We have also had information that we really haven't been able to verify that some of them have been killed. We've had things that have been reported to us by confidential sources that such and such a person was killed. The person never showed up again, and the body was never found, so that leaves conjecture there as to whether it did or not.

DETECTIVE SHOFFLER: And that's the problem in general. Because when you are talking about juvenile runaways, law enforcement is not in a position where it has the means of computerizing where these kids are and where they turn up. If they turn up in California and they're missing in New York, it's a hit and miss if you can find the New York place where they belong with their family. I think law enforcement is just in a position not to really ever find out what happened to these kids. You find out in instances where like in Chicago, in

Texas, where there are twenty-seven or thirty bodies found in a basement of a house. All right? That's generally one of the ways you find out. It's too late.

SENATOR BERNSTEIN: Do they also become pimps as they grow older?

DETECTIVE SHOFFLER: I know of a few people that have been in that profession who have ended up with one or two people that they put on the street; but for the most part, I can't really determine that.

MR. MCKENNA: Have you had occasion to investigate an operator in Washington named William Oates?

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: Can you just tell us what operations he was running in Washington?

DETECTIVE SHOFFLER: Well, again, I would have to preface my remarks that the allegations that we received with regard to his conduct, some of them are the subject of an ongoing investigation; but for the most part, we

were not able to validate a lot of the allegations for some of the reasons that I alluded to earlier.

MR. MCKENNA: Did he have a business in Washington?

DETECTIVE SHOFFLER: Yes, he did.

MR. MCKENNA: Can you tell us what kind of a business?

DETECTIVE SHOFFLER: It is a business that we characterize as a sex industry business. It caters mainly to -- well, for the most part, it caters to male homosexual clientele.

MR. MCKENNA: And was there any indications received by the -- developed by the Washington police that there was some sort of a extortion being practiced in this type of industry?

DETECTIVE SHOFFLER: In the industry in general, yes, sir.

MR. MCKENNA: Yeah, and with regard to any places that Mr. Oates was involved with, was there any evidence that films were

being taken of the customers?

DETECTIVE SHOFFLER: No, there wasn't any evidence, but there were allegations and indications.

MR. MCKENNA: By indications, were there, you know, rooms, et cetera, with setups for making films?

DETECTIVE SHOFFLER: I think the incident you're taking about can't be directly attributed to Mr. Gates, no.

MR. MCKENNA: But was it in the business he was --

DETECTIVE SHOFFLER: Yes.

MR. MCKENNA: -- involved with?

DETECTIVE SHOFFLER: Yes.

MR. MCKENNA: There were one-way mirrors in the rooms --

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: -- for the customers?

SENATOR EERNSTEIN: Have there been any reported cases or complaints to the

police of extortion, blackmail?

DETECTIVE SHOFFLER: With regards to his conduct? We arrested a ring about two and a half years ago and, again, almost by accident, that, in fact, set up a sophisticated system where they would offer a young-looking male to a person desiring sex with males, and then they would run into the room, the older members of the ring, identifying themselves as police; and, naturally, the client would try to pay his way out of it, and this ring was fairly successful until they met a person who didn't want to pay. For the most part when we looked through records that that operation entailed, most of the victims you could tell from their professions and all weren't going to be complainants.

MR. MCKENNA: When you find a juvenile or somebody under the age of 16 who tells you that they have been into prostitution or pornography, are there places in the metropolitan Washington area that the police can lodge them? What do you do with them other than

arrest them?

DETECTIVE FISHER: No. There really are no facilities. We have a court system, as such, that if a young person is picked up and brought into court -- let's say they are in an area where prostitution is rampant, they are brought in as underage, they probably could be charged "fugitive from parent" or what we call "PINS," "child in need of supervision." They're referred to the court. The court usually just sends them back home, or there are detention centers in the district. But as far as social facilities available, no.

MR. McKENNA: New York has the same problem. That seems to be common throughout this situation.

SENATOR BERNSTEIN: Detective Shoffler, I would assume that the detention centers are similar to those in New York, where it merely aggravates --

DETECTIVE FISHER: The problem is their places.

SENATOR BERNSTEIN: -- the basic reason for the detention in the first place.

DETECTIVE SHOFFLER: Yeah, they're placed with individuals who are charged with criminal acts. I mean it's -- it's not a good situation.

SENATOR BERNSTEIN: And you find as a result that they become more acclimated to criminal acts, to sexual deviations and everything that goes along with it.

MR. MCKENNA: Is there, at the present time, Detective Shoffler, any kind of intelligence network among law enforcement dealing with child prostitution or child pornography?

DETECTIVE SHOFFLER: At the local law enforcement level, there is an informal communications network where information is exchanged, but it's --

MR. MCKENNA: Is that because you happen to know somebody; you can call them on the phone and vice versa?

DETECTIVE SHOFFLER: Exactly.

MR. MCKENNA: But there's no formal mechanism that you can plug into for assistance or intelligence when you find somebody from out of town working in your area?

DETECTIVE SHOFFLER: Not that I am aware of, no.

MR. MCKENNA: Detective Fisher, what would you like to see in place for juveniles involved in pornography?

SENATOR BERNSTEIN: Assume that there'll be sufficient funding for them.

DETECTIVE FISHER: That's a lot of assumptions, huh. I think the first thing is the public, the legislative branch, the media, all have to recognize that there definitely is a problem; and I think, right now, they don't really realize the magnitude of the problem. I think that Legislature has to pass laws that makes it more feasible and easier for law enforcement to get into this type of investigation, be able to do something about it.

We have to educate police officers to know what they are looking for. You have to educate the public to know what they are looking for. You've got to put some concentration so intelligence networks can not get to just the boy on the street who's the prostitute or the girl on the street, but get to the organization behind it. I think it's going to take a unity of all those elements working together, and one can't do it alone; and as long as you don't have that unity, you are going to have areas where it's always going to fall through.

SENATOR BERNSTEIN: Can you make any specific recommendations for legislative enactment?

DETECTIVE FISHER: Well, one -- go ahead.

One example in the District, we've had cases where young boys or girls are seen downtown in an area where you know prostitution is going on, and we are getting a lot more street activity now along that area in the District,

involving young boys. The law states that unless you actually get them in an act of prostitution, you just can't go down there and pick them up. Right there, you sort of have to walk by and close your eyes. I know one of the other jurisdictions in our area is trying to get some type of legislation through that would make it possible if you see a pimp or you see someone that you know to be involved in this type of activity take a young boy to a certain area and drop him off, right there you have enough to pick both of them up; you have enough to start. But right now, you have to have so much legally before you can do anything that it's very hard.

SENATOR BERNSTEIN: If I understood you correctly, I think there were two things that you said. Would you advocate that a police officer, if he sees someone whom he suspects of being either a juvenile for sex or a pimp just on the basis of his belief, would you recommend that that police officer have the right to arrest him?

DETECTIVE FISHER: As far as arrest, no. To pick him up, to bring him in.

SENATOR BERNSTEIN: Well, what's the difference between between picking up and arrest?

I can go like this to Senator Marino and say you're under arrest.

DETECTIVE SHOFFLER: I think, if I may.

SENATOR BERNSTEIN: Yes.

DETECTIVE SHOFFLER: All right. When you have a situation where it's a known prostitution area, common sense, anybody -- the media, citizens, anyone -- could recognize the conditions. When you have a situation where you have a sixteen-year-old or fifteen-year-old or fourteen-year-old person all painted up, standing on a corner, in conversation with passing vehicles and pedestrians -- all right? -- when a police officer has probable cause to believe that that person is engaged in --

SENATOR BERNSTEIN: well, up until

this point, what is a probable cause?

DETECTIVE SHOFFLER: All right. The probable cause would be two o'clock in the morning in an area that is totally dedicated to the service of prostitution. I don't know certain jurisdictions. I can certainly say for Washington, D.C., that we have an area like that; and at 2 o'clock in the morning when one is standing on the corner yelling into passing vehicles and approaching pedestrians and engaging them in conversations regarding sex or whatever, that a police officer, feeling that that person is a juvenile, should have -- I think society would recognize that he should be permitted to approach the person and question that person with regard to his age, where he's from, and some means of verifying it; and if those questions aren't answered, I think that should be right there probable cause for a law enforcement officer to take the person to the juvenile authorities and let the court handle it.

SENATOR MARINO: When you say

"painted up", what do you mean, lipstick or --

DETECTIVE SHOFFLER: Right. Earrings, lipstick, you know, mini-dresses.

SENATOR BERNSTEIN: Assuming the facts as you have given them and assuming that the individual who was questioned does not satisfactorily respond, at least to the satisfaction of the police officer, what does the police officer do with them?

DETECTIVE SHOFFLER: Again, I think it goes back to this: Does society want to condone that activity or does it want to address it? If it wants to address it, then the only way it can address it is (1) the courts have got to be responsible; (2) the citizens have got to want it, and the only way they're going to want it is if they know what's going on; and legislators have to recognize it; and in hand with that, they've got to make certain concessions, and those concessions I would believe have to let somebody make the discretionary call.

SENATOR BERNSTEIN: Detective--

Shoffler, I understand what you are saying; and, in effect, one of the things you are saying to us is that we in the legislature have to change the attitudes and perspectives of society; and that is something that we can not do, because you can not legislate morality. But what is -- given the state of facts, you say the legislature should enact legislation to help stop this, stem it out. What does the police officer do? Does he arrest him? And if he does arrest him, what does he charge him with, other than disorderly conduct?

DETECTIVE SHOFFLER: Yes. I don't --

SENATOR BERNSTEIN: Because I think what you've demonstrated is an example of disorderly conduct, you know, yelling at automobiles and so forth.

DETECTIVE SHOFFLER: I apologize if I left you with an erroneous feeling that I mean legislators or police should attempt to alter the perceptions of sexual conduct in the minds of the public. I don't mean that at all. I mean that the basic citizen for the most part

does not even recognize that there is a problem. Even in my community, if you were not in certain sections of the town and asked them if they knew that kids were on the corner selling their bodies, they wouldn't even know that; and I think that's a responsibility of legislators and the police and the media to let people know that that condition exists, because once they know it exists, they'll support you in an effort to address it; and if they don't want to support you, then I think law enforcement is off base in trying.

SENATOR BERNSTEIN: I don't really want to belabor the point too much, but we are a legislative committee, and it's our function to ascertain what we can from those who have expertise such as you have so that we can make appropriate recommendations to the legislature, and this is the basis of my requesting of you what you would specifically recommend other than changing the mores of society. Now, again, what does a police officer do, if you can tell me,

under those circumstances?

DETECTIVE SHOFFLER: Just as in the case where you build probable cause to believe someone robbed a Seven/Eleven, and you arrest them on that basis, okay, I would feel that a police officer should have the latitude of determining that a person is a juvenile and being able to, as you say, arrest them or take them to the precinct until the facts can be verified.

SENATOR BERNSTEIN: And charge 'em with what?

DETECTIVE SHOFFLER: Well, there are a number of -- as I'm sure you're well aware. Juveniles are not handled in the same fashion as adults. Their trials are handled in secrecy. The records are sealed. The whole nine yards. All right? I think if we can have the latitude to be able to conduct juvenile criminal matters in that fashion, then it shouldn't be hard to bridge the gap with regards to being able to pick 'em up off the street.

SENATOR BERNSTEIN: Even though a

juvenile is treated differently, he can only be treated for the commission of a crime except that it's not called a crime, but the charge against him of Youthful Offender or whatever it may be has to contain the elements of a crime. Now what is the specific crime, you know, when you're making a recommendation?

DETECTIVE FISHER: Okay. In this type of situation if you pick -- if you pick a youngster --

SENATOR MARINO: Couldn't he be charged with solicitation if you picked him up?

SENATOR BERNSTEIN: That's something else. He wasn't describing that.

DETECTIVE FISHER: No. Basically, and I have records to sort of reaffirm this, most of the youngsters that are picked up on the street are either charged with "fugitive from parent" -- okay -- if they're underage, you ascertain if they're from Ohio, Indiana, California, New York, and you can call the guardian or person. They're charged with

"fugitive from parent," "fugitive from institution." If they're from the city and they're underage, you talk to the parents, you get a background, charge of what we call "PINS," P-I-N-S, or "child in need of supervision," can be made to the court; and in that respect you go more or less through a social history of the fact that this youngster, you know, is living in the city, is beyond the control of his parent, has not been attending school, is out in the street, at this time we are probably assuming, involved in this type of activity. So you have that latitude to go with those various what you would call social charges, which are not criminal.

SENATOR BERNSTEIN: Tell me, realistically --

DETECTIVE FISHER: Un-huh.

SENATOR BERNSTEIN: -- how effective has that been?

DETECTIVE FISHER: It has not been --

SENATOR BERNSTEIN: Detective Shoffler is shaking his head no.

DETECTIVE FISHER: No, it has not been --

SENATOR LEIBOWITZ: I know, and well it's not been effective.

DETECTIVE FISHER: -- effective because, again, like we have been talking about, you've got to have the courts that are going to do something realistically and positively once you do this, and, you know, this is a problem. You don't have this unity, and you don't have the follow-through. You don't have the facilities. So you can get them off the street for one night. You can possibly send them back home for a week, but you haven't dealt with the problem; and the problem is going to keep on existing until there is a correlated, unified effort to deal with the problem.

MR. MCKENNA: One last question. Detective Shoffler, you've had occasion, I take it, to investigate the call boy services in Washington, D.C.

DETECTIVE SHOFFLER: Yes, sir.

MR. MCKENNA: In the course of those investigations, did you obtain the assistance of an investigator by the name Dale Smith?

DETECTIVE SHOPFLER: Yes, sir.

SENATOR MARINO: Thank you very much for your cooperation.

We are now going to call Dale Smith.

DETECTIVE SHOPFLER: Thank you.

D A L E S M I T H,

having been first duly sworn by the Chairman of the Committee, testified as follows:

SENATOR MARINO: Mr. McKenna will now question you.

MR. MCKENNA: Mr. Smith, in 1977, did you work for the Select Committee on Crime as an investigator?

MR. SMITH: Yes. I worked as a staff investigator, research analyst in 1977 and '78.

MR. MCKENNA: Can you tell us what your area of investigation was?

MR. SMITH: Our area was juvenile prostitution and pornography in New York.

MR. MCKENNA: In 1977, did you assist the New York City Police Department in making an arrest of a juvenile call service operator?

MR. SMITH: In 1977?

MR. MCKENNA: Or '78.

MR. SMITH: Yes.

MR. MCKENNA: Do you remember his name?

MR. SMITH: It was Paul Abrams.

MR. MCKENNA: Can you tell us what he did?

MR. SMITH: Mr. Abrams was running a call service that was being operated from a -- from the West Side of New York.

MR. MCKENNA: And the call service was for male prostitution?

MR. SMITH: For male prostitution.

MR. MCKENNA: And did Mr. Abrams use children in that service?

MR. SMITH: Yes, he did.

MR. MCKENNA: And Mr. Abrams was arrested?

MR. SMITH: Mr. Abrams was arrested.

MR. MCKENNA: Do you know what the disposition of the case was?

MR. SMITH: Yes. He was -- he pleaded guilty and received probation.

SENATOR BERNSTEIN: What was the charge? What was the charge?

MR. SMITH: Prostitution.

MR. MCKENNA: Prostitution is a felony, and promoting prostitution.

After this period of time with the committee, did you leave New York City?

MR. SMITH: I had worked with the Policy Sciences Center.

MR. MCKENNA: That was an investigation of organized crime?

MR. SMITH: Yes, it was, under Mr. Rubenstein, and then I left for Washington.

MR. MCKENNA: Did you return to New York City in early 1982?

MR. SMITH: Yes, I did.

MR. MCKENNA: Can you tell us what the purpose was when you came to New York City this year?

MR. SMITH: Yes. I was employed by the Committee, again as a staff investigator, to update the material developed during the 1977-78 investigation on child prostitution and pornography.

MR. MCKENNA: Did you go back to look at the child prostitution operations you had observed in the previous years?

MR. SMITH: Yes, I did.

MR. MCKENNA: Can you tell us what you saw and where?

MR. SMITH: Certainly. I had made a survey of all the locations that we had targeted in the 1977-78 investigation. I'd also visited places that had opened since the '78 investigation, including a bar on the Upper East

Side by the name of Dallas and the Follies
Theater.

MR. MCKENNA: Where was the
Follies Theater?

MR. SMITH: The Follies Theater is
on 48th Street on the West Side near the
Minnesota Strip.

MR. MCKENNA: And Dallas?

MR. SMITH: Dallas is on 53rd
Street near Second Avenue.

MR. MCKENNA: And what did you
observe at Dallas?

MR. SMITH: Dallas was primarily a
homosexual prostitution bar that was well-known
for underage kids. I was able to sight kids
between the ages of 13, 14, 15, 16 years old,
working directly out of the bar. There was also
indications that a call service was being
operated in some way connected with the bar.

MR. MCKENNA: Can you just tell us
how that service operated? Did you observe?

MR. SMITH: Certainly. The call

service -- the calls would come in to another location, and from sources in the bar that were working. Some of the juveniles were talking. The calls would be called in to the bar. The boys would be waiting at the bar for their pickups; and a limousine was sighted, picking up the children and taking them to calls.

MR. MCKENNA: What did you observe at the Follies Theater?

MR. SMITH: The Follies Theater, there were live sex shows, involving underage kids. The performers in the live sex shows were available for prostitution before, in between, and after the performances. Interviewing some of the performers and some of the patrons, there were reports that child porno films were being filmed in the follies Theater. These reports were similar to the ones that have circulated around that operation -- around a -- the operation in Washington.

MR. MCKENNA: Do you remember who it was or did you -- were you able to determine

who it was that was running or managing or operating the Follies Theater?

MR. SMITH: It was Mr. William Oates.

MR. MCKENNA: Did he have any operations going in Washington?

MR. SMITH: Mr. Oates had a theater operation, the Cinema Follies, in Washington; and he had an operation in Pittsburgh, Pennsylvania, The Best of Both Worlds.

MR. MCKENNA: That was the name in Pittsburgh?

MR. SMITH: Yes. And all three of the operations were pornographic film and burlesque houses, involving live stage performances by dancers who were also prostitutes. Some of the boys, not all of them but some of them, were underage.

Now, with this operation, one of the things that was uncovered is a circuit where the kids are being transported from, by Oates' operation between Florida -- I mean, between New

Business

the Circuit
b/n FL,
tother
states

York, Washington, and Pennsylvania. They would work, let's say, two or three weeks, whatever, in Washington and go from Washington to New York from New York -- they'll work a few weeks in New York, then they'll be transported to Pennsylvania -- or to Pittsburgh, yes.

MR. MCKENNA: Were you ever invited to participate in any child pornographic films while you were in New York?

MR. SMITH: No.

MR. MCKENNA: Was there any other place you visited in your investigation earlier this year that appeared to be involved with child prostitution area?

MR. SMITH: Yes, quite a few.

MR. MCKENNA: Is there a bar called the Haymarket?

MR. SMITH: The Haymarket Bar, right.

MR. MCKENNA: What did you observe at the Haymarket?

MR. SMITH: The Haymarket bar is

* Haymarket Bar

probably --

MR. MCKENNA: Well, first of all, it's located on Eighth Avenue?

MR. SMITH: It's located on Eighth Avenue.

MR. MCKENNA: Approximately 47th Street, 48th Street?

MR. SMITH: Between 47th and 48th.

MR. MCKENNA: What have you observed in the Haymarket?

MR. SMITH: Basically, it's a male prostitution bar. There are many underaged youths there. One of the things that was observed at the Haymarket is a procurer. A very well-known New York procurer was working behind the bar. This person has been known to the Committee for a number of years as providing underage boys to the pornography and prostitution industry.

MR. MCKENNA: And were boys working in the bar? I mean --

MR. SMITH: The boys were working

in the bar, right.

MR. MCKENNA: By working, I mean they were soliciting customers.

MR. SMITH: They were soliciting.

MR. MCKENNA: Did there come a time this year when you went to Florida?

MR. SMITH: Yes. I was on assignment in Fort Lauderdale on a project, on a project involving juvenile prostitution.

MR. MCKENNA: And did the Florida investigation reveal contacts back to New York?

MR. SMITH: Yes, it did.

MR. MCKENNA: Can you just tell us what those connections were?

MR. SMITH: The targets in Florida were -- there was a hotel in Florida, in Fort Lauderdale that --

SENATOR MARINO: Could you keep your voice up, please?

MR. SMITH: There was a hotel in Fort Lauderdale that we had received reports in '77 and '78 concerning possible connections into

organized crime in New York and also connected with the juvenile pornography and prostitution industry. There is also a publishing -- a magazine that was being published in south Florida that was reported to be controlled by organized crime; that also had ties to New York.

MR. MCKENNA: This was developed from interviews of the people who were involved in the operations?

MR. SMITH: Yes, it was.

MR. MCKENNA: Some of these were juveniles?

MR. SMITH: Some of them were juveniles.

MR. MCKENNA: What magazine was involved in these operations?

MR. SMITH: The magazine involved was Blue Boy. The hotel involved there was the Marlin Beach Hotel.

*Blue
Boy
magazine

MR. MCKENNA: Can you give us an idea of about how many boys were involved?

MR. SMITH: Yes. The project

there, we interviewed underaged boys in all three bars of this hotel resort. Some of the boys interviewed were working for call services. They admitted to having been sent to New York and to Washington on calls that had originated in south Florida.

Q. Did there come a time when you were contacted by the Arlington police in Virginia to assist them in an investigation of organized male prostitution rings?

MR. SMITH: Yes. In June, I was contacted by Detective Chapman of the Arlington Police Department on recommendation of Detective Snoffler.

MR. MCKENNA: Can you tell us the names of the operations concerning which your assistance was asked?

MR. SMITH: They were two male call services in Washington known as the Friendly Hotels and the Applees.

MR. MCKENNA: And as a result of your assistance to the Arlington Police, did

*ZD.
Operative

something happen?

MR. SMITH: Friendly Models had already been raided, and the client list and everything had been seized by the police department. Very complete records were taken. As a result of my cooperation with the Arlington Police Department, they were able to obtain a warrant for the search and arrest of the Stables operation in Washington.

MR. MCKENNA: What was the Stables operation?

MR. SMITH: The Stables operation was a male homosexual call service that from reports over the past three years appears to have been a final product of at least one local call service and two New York call services. The New York call services -- in fact, I will have to go back a number of years there. In '76, 1976, there were two call services from New York that opened operations in Washington. These call services were operated out of New York. Now, around 1978, call services merged, and -- these

call services merged and then merged again into an operation that was already in existence called the Stables.

MR. MCKENNA: Did you have occasion to get close to a principal involved in the Stables enough to talk to him about those operations?

MR. SMITH: Through an investigation I worked on in Washington, I was able to go in under cover and interview the owner, one of the owners of the Stables' call services.

MR. MCKENNA: Did he tell you anything that surprised you concerning their operation?

MR. SMITH: Basically, this individual confirmed several vital pieces of information that I had received from other sources. He had also added that a lot of the money from the call service was being reinvested into real estate in the Washington area.

MR. MCKENNA: Did he discuss with you any sidelines that had become very profitable?

MR. SMITH: The operator of this service, no.

MR. MCKENNA: Did you ever have occasion to talk to a Mr. Koehler? *

MR. SMITH: Yes, I did.

MR. MCKENNA: And what was his function in these operations?

MR. SMITH: Mr. Robert Koehler is an accountant for several years of several call service operations in Washington. *

MR. MCKENNA: Did he discuss with you the profitability of these operations?

MR. MCKENNA: Yes, he did.

MR. MCKENNA: Did he tell you they were they making profits besides call service itself?

MR. SMITH: Yes, they were.

MR. MCKENNA: How were they doing that?

MR. SMITH: Through the sale of information on the sexual proclivities of the clients to agents of foreign intelligence

*Selling
info to
intel
services

services.

MR. MCKENNA: Were there any other call service operators you were able to interview?

MR. SMITH: Yes, there was.

MR. MCKENNA: Do you remember what his name or their names were?

MR. SMITH: One call service operator in Alexandria, Virginia, by the name of Johnathon Christopher Reynolds, III.

MR. MCKENNA: And what was the name of his call service?

MR. SMITH: It was Brian's Boys and Fantasies Unlimited.

MR. MCKENNA: And was he also selling information out of the call services?

MR. SMITH: He stated so.

MR. MCKENNA: Did he say who he was selling them to?

MR. SMITH: To British and Israeli intelligence.

MR. MCKENNA: Did you have occasion to investigate in Washington a person by

the name of William Oates?

MR. SMITH: Yes, I have.

MR. MCKENNA: Did he have any operations going in Washington?

MR. SMITH: The Cinema Follies.

MR. MCKENNA: And can you just describe to us what the Cinema Follies was in Washington?

MR. SMITH: The Cinema Follies was a male homosexual pornographic film and burlesque house that involved live stage shows with boys, some of whom were underage. The boys working for the -- for Mr. Oates were also male prostitutes available before, between, and after the shows.

MR. MCKENNA: Did any of those boys discuss being involved in child pornographic movies?

MR. SMITH: Yes, they did.

MR. MCKENNA: Did you ever develop information as to what was done with those movies?

MR. SMITH: Yes. At one time, sources indicated that Mr. Oates had been

involved with operations in California; however, at the time of the spring investigation of this committee, at first it appeared that he had not any involvements with California pornography; but after interviewing employees for Mr. Oates, and some of the male prostitutes who had worked in these films that were being filmed in Manhattan, it appeared that Mr. Oates was, in fact, still associated with these California organizations.

MR. MCKENNA: Did you ever develop information as to any other intelligence services that were buying information, foreign intelligence services?

MR. SMITH: Yes.

MR. MCKENNA: Which one was that?

MR. SMITH: The Soviet Military Intelligence was named as one of the agencies or the foreign intelligence services that was purchasing information from the call services in Washington.

Soviet
Intell
agency

MR. MCKENNA: Did you ever more or less confirm that on your own?

MR. SMITH: I don't know whether I had confirmed it to the satisfaction of the committee or not.

MR. MCKENNA: Were you satisfied?

MR. SMITH: I was satisfied.

MR. MCKENNA: Were you debriefed by somebody who you thought was a foreign intelligence officer?

MR. SMITH: No, I was not personally -- I -- I -- I was not personally debriefed by a foreign intelligence officer.

MR. MCKENNA: Were you questioned?

MR. SMITH: I have had contacts with foreign intelligence officers.

MR. MCKENNA: When you were in New York, back to New York City, did you have occasion to purchase any magazines that seemed to be involved for soliciting or promoting juvenile prostitution?

MR. SMITH: Yes. A number of magazines were purchased for the Committee. One of the publications that we had looked at was

Stars Magazine from Washington, and it appeared to be a homosexual contact sheet for -- with nationwide distribution. *

MR. MCKENNA: Did you ever see a magazine or purchase in New York a magazine named Laddie?

MR. SMITH: Yes, I did.

MR. MCKENNA: And can you just describe what the function of Laddie was?

MR. SMITH: Laddie appeared to be a publication primarily oriented to underage kids. I mean, primarily oriented to pederism. *

MR. MCKENNA: That is printed and distributed out of New York?

MR. SMITH: Yes, it is.

MR. MCKENNA: When you were also with the committee, were you able to purchase child pornography in the Times Square area back in '77-'78?

MR. SMITH: Yes, I was.

MR. MCKENNA: And since then, it's more difficult when you tried in 1982?

MR. SMITH: It was more difficult, but it was available.

SENATOR BERNSTEIN: By being more difficult, do you mean the price had gone up?

MR. SMITH: Uh, no, sir. The -- at the time that -- in '77 and '78, it was very easy to go out and purchase juvenile porn' from just about anywhere along 42nd Street. As -- when I came back in January and February of this year, it appeared to be a matter of knowing the right people. There were people, patrons of bars and clubs in New York that are oriented to pederasts that vouch that the trade still exists. They can, you know, purchase.

MR. MCKENNA: But you had to be known?

MR. SMITH: Yes, you had to be known.

SENATOR BERNSTEIN: Can you account for the change?

MR. SMITH: I don't think I can.

MR. MCKENNA: In between he passed

the law.

SENATOR MARINO: It had nothing to do with the bill I passed or the law that existed at that time.

MR. SMITH: Senator, I have been out of New York for about two years.

MR. MCKENNA: I was going to suggest we take a few minutes break before we start.

SENATOR MARINO: Five minute break, please.

(Whereupon, a recess was taken.)

SENATOR MARINO: Mr. Smith, would you return, please.

Senator Bernstein has some questions for you.

SENATOR BERNSTEIN: Mr. Smith --

MR. SMITH: Yes.

SENATOR BERNSTEIN: -- let's go back to the Dallas bar. Is that still open, do you know?

MR. SMITH: To my knowledge, it is.

SENATOR BERNSTEIN: You observed that bar; is that correct?

MR. SMITH: Yes, sir.

SENATOR BERNSTEIN: For how long a period of time?

MR. SMITH: The bar was observed for two months on a regular basis. That means about every other or every third night.

SENATOR BERNSTEIN: And you observed a pattern of these young kids in the bar?

MR. SMITH: Yes, sir.

SENATOR BERNSTEIN: Now, looking at these young kids without knowing anything, could you ascertain or guess their approximate ages?

MR. SMITH: Yes. I would guess their ages between 13 and 16.

SENATOR BERNSTEIN: And on an average, how many kids were in the bar?

MR. SMITH: It varied. On a weekend night, there might be as many as 50, 75 kids.

SENATOR BERNSTEIN: Were they drinking?

MR. SMITH: Uh, not only drinking. They were drinking; however, in the back room of the Dallas bar, there was open drug usage.

SENATOR BERNSTEIN: Who had access to the back room?

MR. SMITH: Anyone who went into the bar. It was not an area that was privy to just a few people. It was open to the public.

SENATOR BERNSTEIN: Did you have access?

MR. SMITH: Yes, I had free access.

SENATOR BERNSTEIN: Did you go to the back room?

MR. SMITH: Yes, sir.

SENATOR BERNSTEIN: And you observed drug usage?

MR. SMITH: Yes. It was a --

SENATOR BERNSTEIN: Was it sales of drugs or just usage?

MR. SMITH: I observed sales of

drugs as well. This area was basically a lounge that you would have -- people would go to and from the back room to smoke marijuana, to purchase cocaine or amphetamines.

SENATOR BERNSTEIN: And there was open usage?

MR. SMITH: There was open usage.

SENATOR BERNSTEIN: Do you know if anyone ever reported this to the State Liquor Authority?

MR. SMITH: Not to my knowledge, but I didn't look into that matter. This was Mr. McKenna's --

SENATOR BERNSTEIN: No, I just wondered if you knew if anyone ever reported this to the State Liquor Authority, and your answer is, "No."

MR. SMITH: No.

SENATOR BERNSTEIN: Did you ever at any time in the course of your observations notice any police on the premises?

MR. SMITH: No, I didn't, sir.

SENATOR BERNSTEIN: Would you say that the use of the youngsters there or the frequenting of youngsters of that bar was common notorious knowledge?

MR. SMITH: Yes, it was. In fact, in nationally distributed homosexual gay guides, it's listed as a -- specifically, as a bar for underaged kids.

SENATOR BERNSTEIN: Did it have a liquor license?

MR. SMITH: I believe so.

SENATOR BERNSTEIN: And you observed the bartenders or those behind the bars selling alcoholic beverages to these youngsters?

MR. SMITH: Yes, I did; but in more cases, they would sell the alcoholic beverages to adult patrons who would buy the drinks for the boys. The boys served two purposes, not only for prostitution, for prostituting themselves in the bar and drawing in customers, but they also generated more of a bar business by requiring the potential clients to

buy them drinks.

SENATOR BERNSTEIN: If I understood you correctly, on the call system for kids at the bar, someone desiring a youngster would call a certain telephone number which was away from the bar. Is that correct?

MR. SMITH: It appeared so, sir.

SENATOR BERNSTEIN: That particular telephone number would then telephone the bar?

MR. SMITH: Right. I had made contact with a call boy who has worked -- who had worked previously in Washington for Friendly Models, has been a source for me there, and he had introduced me to boys working for call service at Dallas bar, and the boys were informed that a car was picking them up for a prostitution call by --

SENATOR BERNSTEIN: How was he informed? How was he informed?

MR. SMITH: He was informed by the waiter at Dallas.

SENATOR BERNSTEIN: The initial call went to point A. Point A, in turn, notified the bar now by telephone. Is that correct?

MR. SMITH: Yes, sir.

SENATOR BERNSTEIN: Now, what type of a telephone was used in the bar? Was that a public phone or was that a private phone used by the proprietors or the operators of the bar?

MR. SMITH: This I don't know. I believe that it would be a -- it would have been the private phone used by the bar rather than a public phone, but I did not observe the actual receiving or sending of calls.

SENATOR BERNSTEIN: So that if it were the private telephone, then certainly the bartender or whoever answered that phone was actively involved in that so-called ring; is that correct?

MR. SMITH: He would have to be, sir.

SENATOR BERNSTEIN: Okay. Mr. Chairman, I would think on the basis of this

testimony right at this moment, this should be referred to the State Liquor Authority, because certainly these acts are in violation of the Alcoholic Beverage Control Law, and the question is whether this place should continue to be licensed. I recommend that that be done.

Now, on the narcotics, who sold whom? Were these youngsters buying or were these youngsters selling?

MR. SMITH: Uh, it was both. Uh, from what was -- from what I was able to observe in the bar and from the information I was able to gather from people that were -- that frequented the bar, the cocaine appeared to be -- to have -- Dallas appeared to have a cocaine connection. In other words, there were either people associated with the bar that were pushing cocaine or there were cocaine pushers allowed into the bar. Whatever the case was, one could purchase cocaine from the underaged male prostitute and -- well, from the male prostitutes that worked the bar. Whether these boys were buying it from their

sources on their own or whether it was part of an organized thing, I don't know; but it was available in the bar.

SENATOR BERNSTEIN: Did you ever make any purchase of cocaine or other --

MR. SMITH: No, sir. I had no authorization to make these.

SENATOR BERNSTEIN: You also referred to transportation. Somebody would call from Washington to New York or vice versa, and then a call boy would be sent up. Kind of expensive, wasn't it?

MR. SMITH: Yes, it was.

SENATOR BERNSTEIN: Who paid for the transportation?

MR. SMITH: From the information that I got over a number of years on investigating call services, it's generally the client who makes all the arrangements for transportation of the call boys, and it is not the call service that puts out the bill.

SENATOR BERNSTEIN: Now, with

respect to the relocation of a call boy from one town to another, I think there was testimony to the effect that after they worked a particular city for a while, then they gravitate on to some other cities.

MR. SMITH: This is another operation. This is another type of operation.

SENATOR BERNSTEIN: Yes, I know that. And what I'm asking now is, who pays transportation for this type of operation?

MR. SMITH: In that case, then the organization that is transporting the boys would be paying for the transportation.

SENATOR BERNSTEIN: Now, in your investigations, were you able to ascertain or able to, at least, suspect how far up and how organized was this call boy operation?

MR. SMITH: I was able to suspect that the call service operations that were operating in Washington had some connection to organized crime in New York.

SENATOR BERNSTEIN: Can you tell

me, at least loosely, what that connection was?

MR. SMITH: The connection appeared to be with the trafficking of information on the clients, which would be obviously very useful to organized crime.

SENATOR BERNSTEIN: That would be separate and apart, would it not, from the call boy operation?

MR. SMITH: Not necessarily.

SENATOR BERNSTEIN: It may be obtained as a result of that call boy operation, but that was a separate segment, was it not?

MR. SMITH: Senator, the relationships between prostitution and pornography businesses are very complicated, and some of them are very loose and some of them are quite organized, existing at the same time if you can understand this. That there may be a connection between the trafficking of information between the call services and organized crime, but these connections are reinforced by, let's say, other business ventures, joint ventures. It

might be real estate; it might be pornography; and from what I have been able to develop, it appears that pornography plays some part in this connection.

SENATOR BERNSTEIN: Would you say that the pornography and the call boy is a jumping off point for other types of illegal activity?

SENATOR BERNSTEIN: Very much so. Prostitution and pornography appear to be two sides of the same coin.

SENATOR BERNSTEIN: Now, in the course of your investigations, did you run across any evidence of some of these youngsters being held in this business against their will?

MR. SMITH: No, I didn't. In fact, many of the youngsters were willing participants; however, if you look at this problem in the light of drug coercion, then I think we could say that these kids were being held against their will, because sometimes these kids are introduced to drugs and plied with drugs for a period of time

that they cease to have any type of capabilities of judgment for themselves; and some of them are too young to even have any type of responsible judgment.

SENATOR BERNSTEIN: Is there a specific pattern that you can develop of drug use by these kids?

MR. SMITH: I think that the prostitution and drug uses is very much together. I mean the drug usage goes with it. The life, the experiences, that some of these people go through makes them susceptible to drug use.

SENATOR BERNSTEIN: I think we know that with respect to female prostitutes many of them are hooked and are dependent upon their pimps for their supply, and that is why they remain as prostitutes. Are you saying this with respect to these youngsters because that's true with respect to the female prostitutes?

MR. SMITH: No.

SENATOR BERNSTEIN: Are you saying that as a result of your own observations?

MR. SMITH: As a result of my own observations. And I don't say that the youngsters are being hooked on heroin. What I am saying is they are being introduced to barbituates, basically, is what a lot of the younger kids get into. They develop a habit into barbituates. But to get a young child to perform, let's say, for a sex movie or for a prostitution service, especially if he hasn't that much experience in it, sometimes you have a willing boy to work for a call service in a very passive way, but to get this boy to be active and actually commit homosexual acts on his own rather than taking the passive role, drugs are used very much to coerce the boy into acting this way.

SENATOR BERNSTEIN: Well, do you know of any instances where drugs were withheld from a youngster until he performed?

MR. SMITH: No I don't.

SENATOR BERNSTEIN: Do you know of any of these kids being arrested? What have your observations been with respect to law enforcement,

arrests?

MR. SMITH: I have not observed law enforcement actively arresting underage kids.

SENATOR BERNSTEIN: You did or you didn't?

MR. SMITH: I have not.

SENATOR BERNSTEIN: You have not. Would you care to characterize the activities of law enforcement officials with respect to these underage kids?

MR. SMITH: I think they have a difficult time. There doesn't appear to be any support from the courts, and -- I mean I am talking right now as my own opinion not as a -- as -- from knowledge, but there doesn't appear to be any money, funding specialized units that would be able to take care of these problems.

SENATOR BERNSTEIN: How about a cop on the beat who observes 40, 50 kids in the bar underage when they aren't supposed to be there to begin with, do you need a special unit for that?

MR. SMITH: Senator, if you check the court records in the State of New York, and what incentive does a policeman have to arrest any type of underage prostitute or any type of offense like this, send it to the courts, and then have the judge pass out almost a slap on the wrist to the offenders, to the pimps, or to the operators? The case of Paul Abrams, where he received a probation, was running underaged children, was quite a large operation, had links to organized crime.

MR. MCKENNA: Senator.

SENATOR BERNSTEIN: Yes, I just want to prove this.

MR. MCKENNA: Senator, in the Abrams' case we sent a full report to the judge who sent a letter back saying he didn't want to hear from our committee.

SENATOR BERNSTEIN: I know. I'm aware of that. Now, then what we can conclude from what you have said and have observed is that underaged prostitution has a very, very low

priority insofar as law enforcement officials are concerned and insofar as the judicial system is concerned; is that correct?

MR. SMITH: Senator, I have had talks with prosecutors. I have had talks even on Capitol Hill with individuals who ought to be involved with the problem of juvenile pornography. I had a -- I was told that juvenile pornography and prostitution was a cottage industry, that it was not worth the time or the effort to go after. However, my findings, the findings of the Committee, differ with that opinion.

SENATOR BERNSTEIN: You as someone who has investigated and seen some of the impacts and the resultant effects, would you say that it is something with which we should be concerned?

MR. SMITH: Yes, it is.

SENATOR BERNSTEIN: This is the reason the Committee is holding this hearing.

SENATOR MARINO: That's right.

SENATOR BERNSTEIN: Now, what would you recommend, Mr. Smith, that we can do or

what can be done with respect to reducing -- because you are not going to eliminate it completely, but reducing child prostitution, both male and female?

MR. SMITH: That is a policy question which I really -- I can only answer as a private citizen.

SENATOR BERNSTEIN: Well, as a private citizen --

MR. SMITH: As a private citizen, I could say that providing the law enforcement agencies with a weapon, an effective weapon, to go out and investigate and giving these law enforcement agencies the backing of the judicial system. I think that a realistic understanding of the public and in the courts is where the problem lies. We have many -- oftentimes, we have prosecuting attorneys that look at prostitution as victimless crimes. However, in these cases, the children themselves are victims. In a lot of cases, the lives of these children involved are unsalvageable. In our society, I

don't think that we can afford to throw away so many kids.

SENATOR BERNSTEIN: In your experience, did you also find that male prostitution, female prostitution, of underaged kids eventually leads to other and more advanced illegal activities on their parts?

MR. SMITH: Yes, it does.

SENATOR BERNSTEIN: In what direction, in what areas?

MR. SMITH: It seems to be a pattern that once -- especially among the boys. Once a boy is introduced to being a juvenile prostitute, chances are when he becomes an adult he is going to be a pederast. This has been the case, and I followed this on one boy that we had studied in '77 with this committee. I kept track of his escapades, his career, and he went from being a fourteen-year-old boy prostitute to being an adult pederast, without interest, as apart from what we might term as the regular type of homosexual. This boy developed a proclivity for

very young kids.

SENATOR BERNSTEIN: Was there any evidence of gravitating into other forms of illegal activity, such as robbery, burglary --

MR. SMITH: Of course. The whole industry. The lifestyle is an anti-social lifestyle. It brings these kids at an early time in their life into contact with some of the worst types of people in our society. I am talking about murderers, drug dealers, organized criminals. It can't help -- this contact can't help but affect these children -- these kids' development.

SENATOR BERNSTEIN: Would you conclude, then, that if we were able to reduce to a substantial degree juvenile prostitution that you would have a reduction also in other types of crime, subsequently?

MR. SMITH: It seems to follow that route.

SENATOR BERNSTEIN: Thank you. I have no other questions.

SENATOR MARINO: Do you have any questions?

SENATOR BERNSTEIN: Oh, just one more question. I don't know whether in the course of your investigations, did you find any central attorney or firm of attorneys representing these people?

MR. SMITH: In various -- in different areas. For instance, in Washington, there have been various attorneys that will show up that will handle the defense for a number of call services.

SENATOR BERNSTEIN: How about New York?

MR. SMITH: In New York, I have not been involved in that part of the investigation here.

SENATOR BERNSTEIN: Thank you.

SENATOR MARINO: Mr. Smith, you notice some magazines and newspapers on the desk next to you. These are recent purchases by this Committee. Are you familiar with those magazines?

MR. SMITH: Yes, sir.

SENATOR MARINO: Do those magazines actually advertise -- are you aware or do you know whether they advertise call boy services?

MR. SMITH: The Advocate, during the '77-78 and the spring's -- this last spring investigation of the Committee, we had found advertisements nationwide for call services and free-lance prostitutes in the Advocate.

SENATOR MARINO: How about the others?

MR. SMITH: The Laddie Magazine, we were able to find photographs of boys that were apparently underage, obviously underage. The publisher of Laddie Magazine had given an interview a few years ago, if my memory is right, with a radio station here in Washington -- I mean here in New York, advocating pederism.

SENATOR MARINO: Is he connected with some association that advocates pederism?

MR. SMITH: He was connected with

a former operator in New York who was identified as a soldier in organized crime.

SENATOR MARINO: How do you know that connection?

MR. SMITH: The operator was operating a publishing house and after hours bars in Manhattan, and this individual at that time was working as the editor of one of the magazines being published.

SENATOR BERNSTEIN: What was the going rate for these youngsters, do you know, average?

MR. SMITH: That varied, too, in Washington as opposed to New York. In New York, the rates were less than Washington.

SENATOR BERNSTEIN: How much?

MR. SMITH: New York was between \$50 and \$100, sometimes \$200, depending upon the age of the child.

SENATOR BERNSTEIN: Now, can you tell me how many "tricks" a youngster would pull on a night, an average?

MR. SMITH: That I couldn't say. I have more information on the Washington call services on that.

SENATOR BERNSTEIN: What went on in Washington? I mean, what was the average?

MR. SMITH: Sometimes the average of an average call boy working for a Washington call service would be two, sometimes three people a night from -- it depended also upon the -- sometimes these people were taken for weekends and for overnight and what not, at which time people -- clients were paying up to \$450.

SENATOR BERNSTEIN: For a weekend?

MR. SMITH: For a weekend.

SENATOR BERNSTEIN: To your knowledge, has anybody done any investigative survey as to how much money is involved annually with male youngster prostitution?

MR. SMITH: To my knowledge, I don't believe that there has been -- I have not come into contact with any organization that has done a national study of this problem.

SENATOR BERNSTEIN: Now, let me get back to this call girls' ring with the bar -- call boy. Who paid the youngster? Was it the client who paid the youngster or did the client pay the call agency?

MR. SMITH: In most instances, the patron, the adult patron, would pay directly the clients. However, reports from male prostitutes at Dallas indicated that sometimes the call service paid the boys, especially when the payment was made in the form of a charge card or a check.

SENATOR BERNSTEIN: What was the division, if you know, between the call service and the male prostitute?

MR. SMITH: This I don't know.

SENATOR BERNSTEIN: You don't know whether it was split equally or otherwise?

MR. SMITH: This I don't know.

SENATOR BERNSTEIN: I have no more questions.

MR. MCKENNA: I just want to ask

you a question that will be developed more at length in tomorrow's hearing, but did you have occasion to investigate the involvement of the phoney religious organizations in this whole prostitution?

MR. SMITH: Yes, I did.

MR. MCKENNA: And were they -- some of these organizations were in New York?

MR. SMITH: Yes, they were.

SENATOR BERNSTEIN: Is the Haymarket bar still open?

MR. SMITH: To my knowledge, it is.

SENATOR BERNSTEIN: To your knowledge, nobody ever notified the State Liquor Authority and no arrests were made by the police?

MR. SMITH: I don't think so.

SENATOR MARINO: Is the Follies open, as well?

MR. SMITH: Sir?

SENATOR MARINO: Is the Follies Theater still open?

MR. SMITH: I believe it still is

open as well. It was open when I had left the Committee investigations.

SENATOR MARINO: Now, you indicated before there were live stage shows at the Follies?

MR. SMITH: Yes, sir.

SENATOR MARINO: Was there any filming going on while these stage shows were being run?

MR. SMITH: There have been -- not in New York, that I had witnessed. I had reports that sometimes they were videotaped, but this was the -- this was the case in at least one instance in Washington.

SENATOR MARINO: Now, you indicated as well that patrons got involved with these youngsters during the show, before the show, and after the show.

MR. SMITH: Yes, sir.

SENATOR MARINO: So that the theater itself was used for the sale of these youngsters, boys, at the very moment; is that

what you're indicating or --

MR. SMITH: Well, part of the -- of the -- sometimes the stage shows would involve actual sexual contact between the boy performers and the audience.

SENATOR MARINO: Patrons.

MR. SMITH: Patrons.

SENATOR MARINO: Now, I take it they had -- at some point, they had two youngsters performing?

MR. SMITH: Yes.

SENATOR MARINO: Or they might have a patron and a youngster performing, is that --

MR. SMITH: The patrons were not seen actually on the stage. The performances were when the boys would leave the stage and go into the audience.

SENATOR MARINO: I see.

SENATOR BERNSTEIN: I would assume that the patrons were predominantly male?

MR. SMITH: Yes, sir.

SENATOR BERNSTEIN: Were there

females patrons, too?

MR. SMITH: I did not observe any in any of the times I have ever seen.

SENATOR MARINO: Thank you, Mr. Smith. You have been very helpful.

SENATOR MARINO: Inspector Ciccotelli and Carl Weisbrod.

MR. WEISBROD: Mr. Ciccotelli is not here at the moment. I am here, but I will wait.

SENATOR MARINO: Mr. Bruce Taylor, then.

(Whereupon, a recess was taken.)

SENATOR MARINO: Mr. Smith, I would like to call you back. Is Mr. Smith here, please?

Mr. Smith, I understand that you have compiled a list of places where you may have seen other acts of live shows, male prostitution, et cetera?

MR. SMITH: Yes, sir.

SENATOR MARINO: Do you have that

list in front of you?

MR. SMITH: No, I do not. The committee has the list.

SENATOR MARINO: Okay.

If I were to name some of these or perhaps you could name them and tell us what you know about these various places, briefly on summary, and what you may have observed or know about them.

Here's your whole investigation. Will this help you?

MR. SMITH: Yes, it will.

SENATOR MARINO: I don't believe this has ever been summarized or detailed. I think we ought to know the names of these places. Do you want to push the microphone in front of you, please.

Can you testify from your own knowledge without being questioned?

MR. SMITH: Yes.

SENATOR MARINO: Can you testify based on the information you have available

without being questioned?

MR. SMITH: Yes, sir.

SENATOR MARINO: Why don't you tell us and explain it to us.

MR. SMITH: During the course of the spring Committee investigation, several businesses were visited in New York that were suspected of having some sort of activity involving juveniles. I will go through the list of places that we investigated.

There is the Gaiety Burlesk that's located on 201 West 46th Street, and the -- it was reported by several informants to employ underage boys and had, in fact, been advertised in local gay publications as being a location for underaged children for sex. Upon visiting this location, underaged boys were sighted working for the establishment.

The second place is Eros II. It is a film theater located on 46th Street at 732 Eighth Avenue. When this location was visited, live shows involving underage boys or apparently

underaged boys were observed.

The Big Top Cinema located at 49th Street. It was visited on January 26. Underage male prostitutes used this theater as a location for soliciting adults. None appeared to be in direct employment of the theater; however, the management seemed to encourage or appeared to encourage the boys to solicit.

Male World located at West 42nd Street and Eighth Avenue. On January 26, two fifteen- or sixteen-year-old boys who worked as strippers were working the theater patrons as prostitutes, soliciting theater patrons.

In the Follies Theater, we have covered.

Show Place, located at 670 Eighth Avenue, underage male prostitutes some of which appeared -- I'm sorry. Male prostitutes, some of which appeared to be underage, were employed as dancers.

The Metropolitan, which is a movie house located on 14th Street on East -- I mean

235 East 14th Street. It did not appear to be a -- the management did not appear to take an active part in prostitution, however, there was evidence of Negro and Hispanic boy prostitution, but it was basically a free-lance operation.

The King's Cinema located on 236 West 50th Street was reported by a confidential informant to be a location for juvenile boy prostitution. When I visited it, was able to come up with a confirmation on that.

SENATOR BERNSTEIN: I notice, Mr. Smith, that all of those you are reciting are in Manhattan. Are there any in the Bronx?

MR. SMITH: Well, we -- I -- when I was here in January and February, I had two months, which I could only -- in Manhattan is so much that I could only concentrate on Manhattan. And there didn't appear to be any type of major -- I mean compared to Manhattan, it wasn't worth my while to go outside.

SENATOR BERNSTEIN: I am glad to hear that. Incidentally, in discussing the bars,

you mentioned that they were gay bars. Are we to conclude that every gay bar is a place for male prostitution or are there gay bars in the City of New York which are operating in accordance with the law and are not cited as citees for male prostitution?

MR. SMITH: Senator, there are bars in the New York which are homosexual that have or at least appear to have absolutely no contact at all with the prostitution industry or the pornography industry. There are, in fact, bars that discourage pederasts and young juvenile prostitutes in their bars. There are specialized bars that encourage pederasts and juvenile prostitutes; and the clientele, generally speaking, do not mix. In other words, pederasts generally confine themselves to go into bars that are oriented to their interest and do not go to -- do not frequent what we might term as normal homosexual bars, and people who go into these bars normally do not patronize the prostitution bars.

SENATOR BERNSTEIN: That was exactly the point. I didn't want to leave the impression or anybody to get the impression that every gay bar --

MR. SMITH: No, we're not --

SENATOR BERNSTEIN: -- was painted with the same brush.

MR. SMITH: No, we're not dealing with homosexuality. What we are dealing with is pederism.

SENATOR BERNSTEIN: Okay.

MR. SMITH: Another place that we have a location on is the 55th Street Playhouse, which is located on 53rd Street near Sixth Avenue, and juvenile boy prostitutes were sighted in this place operating.

A place that's called by the name of David. It is a film theater located at 236 West 54th Street. The observation there was juvenile prostitution.

The Adonis, another film theater on Eighth Avenue and 50th Street, underaged boy

prostitutes.

The Night Shift, another theater on 777 Eighth Avenue, underage boy prostitutes.

I might add that in these film theaters, the boy prostitutes in some of them have back rooms or a separate area where patrons engage in sex, and it's usually in these areas that boy prostitutes are available for hire and will perform sex on premises with the patrons.

SENATOR BERNSTEIN: Does the theater get a kickback on that?

MR. SMITH: This I don't know.

Okay. Now, Rounds, which is a bar located at 303 East 53rd Street in New York; male homosexual prostitutes and patrons, but none underage.

O'Neill's, which is a bar located across the street from the Follies theater, is a Midtown prostitution bar that was visited on the 20th of January, at which time several underaged children were at the bar. It was also a hangout for known pederasts and pornographers in New York,

and these people were sighted and identified.

The La Fiesta, a bar located also in the same area on Eighth Avenue -- or off Eighth Avenue, is a bar which in -- some male prostitutes underage were sighted there in January.

The Ninth Circle, which is a bar located in Greenwich Village, is a popular bar for underage male prostitutes and the drug trade; several underaged boys drinking and playing pool in the downstairs game room. The place was visited on the 13th of January. It was not the same type of prostitution bar as existed in Midtown. These boys seemed to be drawn to the bar basically because of the availability of drugs or contacts to people who could put drugs in their hands.

Dallas, we have covered, and the Haymarket we have covered.

Okay. These were the bars. Do you care about any other businesses?

SENATOR MARINO: No, that's it. I

just wanted to for the record get it into the record and have you indicate that this is not an isolated phenomenon, that there are only three or four places in town dealing with this type of activity. That is my only purpose in having you specifically identify these places.

Thank you very much.

SENATOR BERNSTEIN: You know, Mr. Chairman, I think that something should be said here with respect to some of our state agencies. We have had a number of licensed premises, bars, mentioned; and I think that this leaves a question as to how come the State Liquor Authority will prefer charges against a liquor store which sells a bottle of liquor for 20 cents less than the posted price and place a man's license in jeopardy and yet does not go after these bars, which apparently are notorious and widely cater to illegal activities of this nature. It leaves something to the imagination, to say the least.